


TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Alex Sanchez

**SUBJECT: ACCELERATING AVAILABILITY
OF PUBLICLY OWNED LANDS
FOR HOUSING DEVELOPMENT**

DATE: March 30, 2001

Approved



Date

04.02.01

INFORMATION

BACKGROUND

On January 16, 2001, the City Council accepted the report from the Mayor's Housing Production Team and referred its recommendations to the City Administration. One of the recommendations in that report was to "accelerate the availability of publicly owned land (VTA as an example)." This report provides a progress report on the efforts of the Housing Department to secure surplus public land from other agencies to make it available for affordable housing development.

ANALYSIS

The Housing Department has been in dialogue with Valley Transportation Authority (VTA) staff over the past 18 months regarding the possibility of the City acquiring surplus VTA property to be made available to affordable housing developers. However, the VTA real estate staff has had other priorities to address – primarily acquiring right of way for new light-rail lines – and has had limited time to focus its attention on surplus property.

Recently, the growing crisis that VTA faces in recruiting and retaining staff in the increasingly expensive Santa Clara Valley housing market has prompted the agency to examine the possibility of leveraging its surplus property to provide employer-assisted housing for bus drivers, mechanics and other staff.

The most promising property to begin this initiative is a five-acre, VTA-owned property on Evans Lane, immediately east of the intersection of Canoas Garden Avenue and Almaden Expressway and within a block or two of the Curtner Light Rail Station. The property is currently on a month-to-month lease to an RV/boat storage operator, and has already been declared surplus to VTA's needs. The discussions on the disposition of the property have been

March 30, 2001

Subject: Availability of Publicly Owned Land for Housing

Page 2

tentative to date, but the following are general points of agreement between the staffs of the VTA and the Housing Department:

- VTA would consider discounting the price of the property in exchange for giving VTA employees preference for some percentage of the units. VTA staff has not concluded what percentage they would be recommending, though clearly the size of the price discount would depend on how many units VTA would want to reserve for its employees.
- A recent survey of VTA employees showed that rental housing is the priority need at the present time. This does not necessarily mean that the entire Evans Lane property would be developed as rental housing, since it is a large enough site to accommodate two product types and both VTA and City staff are mindful of desirability of developing both rental and ownership housing in close proximity to transit stations.
- Whether the development would be rental or ownership or combination of both, the fact that the property is located in a primarily non-residential area provides the opportunity to design for very high densities without impacting existing neighborhoods.
- It would be possible to achieve a transfer of the property to the City's ownership and complete an RFP/RFQ process to select a developer(s) by early November. The first step in this process would be endorsement of the plan by the VTA Board. Because that action could not take place prior to June, the first opportunity for the Housing Department to make a formal recommendation to the City Council on this matter would be early August.

In the meantime, the Housing Department will continue to urge the VTA staff to make other properties available for housing development. This process may be time-consuming, since VTA does not yet have clear title to many of the properties. Additionally, in those cases where it is the underutilized portions of light-rail station parking lots that are under consideration, VTA will need to perform the important step of ensuring that the portion of the light-station that will not be developed for housing can meet operational requirements for convenient and functional access for buses, automobiles and pedestrians.

In addition to the VTA, the Housing Department is monitoring other public agencies that might have lands declared surplus to their needs. The County of Santa Clara, the Water District, and school districts (particularly with respect to the potential for development of teacher housing) are potential players in making land available for housing development.

As publicly owned sites that can accommodate the development of affordable housing are identified, the Housing Department will bring them forward to the City Council for action.


ALEX SANCHEZ
Director of Housing

cc: Housing Advisory Commission